

COPY

FILED

OCT 28 2011

STATE OF INDIANA

INDIANA UTILITY REGULATORY COMMISSION

INDIANA UTILITY  
REGULATORY COMMISSION

PETITION OF WATER SERVICE )  
COMPANY OF INDIANA FOR )  
AUTHORITY TO INCREASE ITS WATER ) CAUSE NO. 44104  
AND SEWER RATES AND CHARGES )  
AND FOR APPROVAL OF A NEW )  
SCHEDULE OF RATES AND CHARGES )  
APPLICABLE THERETO )

PETITION

Water Service Company of Indiana ("Petitioner") petitions the Indiana Utility Regulatory Commission ("Commission") for authority to increase water and sewer rates and charges, and for approval of a new schedule of rates and charges in support of this Petition, Petitioner states as follows:

1. Petitioner owns, operates, manages and controls plant and equipment which are used and useful in the provision of sewer services in Jasper and Newton Counties. Petition provides sewer service pursuant to Certificates of Territorial Authority issued by the Commission to Petitioner by the Commission's November 20, 2001 Order in Cause No. 41950. Petitioner provides water service to approximately the same area. Petitioner is currently serving approximately 190 water and sewer customers within a rural area located in Jasper and Newton Counties. Petitioner is a wholly-owned subsidiary of Utilities, Inc., which owns corporations that own over 70 systems providing utility service to approximately 270,000 customers in 15 states.

2. Petitioner's existing water rates and charges were approved in Cause No. 42969 on August 30, 2006. Petitioner's existing sewer rates and charges were approved for Petitioner's

predecessor, the Jasper-Newton Utility Company, in the Commission's January 19, 2000 Order in Cause No. 41486.

3. Petitioner is a "public utility" as defined by Ind. Code § 8-1-2-1 and is subject to regulation by this Commission in the manner and to the extent provided by the laws of the State of Indiana.

4. Since its rates and charges were last established, Petitioner has made substantial capital investments to its system, including the construction of a new wastewater treatment plant. These capital investments, along with increased operational costs, have resulted in Petitioner's existing rates and charges becoming insufficient to produce revenues to recover all legal and other necessary expenses incident to the operation of the utility, including maintenance costs, operating charges, upkeep, repairs, interest charges, provision for debt sinking fund, debt service reserve, working capital, the cost of making extensions and replacements, and taxes. The existing rates are, therefore, unjust, unreasonable, and insufficient and must be increased.

5. Petitioner requests that the twelve (12) month period ended June 30, 2011, be used as the test year in this case, with adjustments permitted for changes that are fixed, known and measurable within twelve (12) months after the end of the test year. Petitioner requests that its rate base cut off be June 30, 2011.

6. Petitioner considers that the provisions of Ind. Code §§ 8-1-2-4, -38, -42, -61, -68, and -71, among others, may be applicable to the subject matter of this Petition.

7. Petitioner's attorneys in this matter are:

Nicholas K. Kile  
Jeffrey M. Peabody  
BARNES & THORNBURG LLP  
11 S. Meridian Street  
Indianapolis, IN 46204  
Telephone: 317-231-6465  
Facsimile: 317-231-7433  
Email: nkile@btlaw.com  
jpeabody@btlaw.com

Each of them is duly authorized to accept service of papers on behalf of the Petitioner in this proceeding.

8. Pursuant to 170 IAC 1-1.1-15(b), Petitioner requests that a date for a preliminary hearing and/or prehearing conference be promptly fixed.

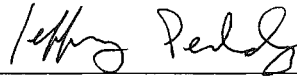
9. Petitioner will provide its customers with a notice summarizing the nature and extent of the proposed changes as required by the Commission's rules.

WHEREFORE, Petitioner respectfully prays this Commission notice and conduct a preliminary hearing and/or prehearing conference and make such investigation and hold such hearings as are necessary or advisable in this Cause, and thereafter make and enter an Order in this Cause:

- (a) Finding that Petitioner's existing rates for water and sewer service are unjust, unreasonable, and insufficient;

- (b) Determining and by Order fixing increased water and sewer rates and charges to be imposed, observed and followed in the future by Petitioner in lieu of those so found to be unjust, unreasonable, and insufficient;
- (c) Authorizing and approving the filing by Petitioner of new schedules of increased rates and charges applicable to the water and sewer utility service rendered by the Petitioner so as to provide just, reasonable, sufficient and nondiscriminatory rates; and
- (d) Making such further Orders in the premises as the Commission may deem appropriate and proper.

Respectfully submitted,



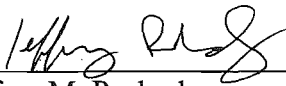
---

Nicholas K. Kile (Atty. No. 15203-53)  
Jeffrey M. Peabody (Atty. No. 28000-53)  
BARNES & THORNBURG LLP  
11 S. Meridian Street  
Indianapolis, IN 46204  
Telephone: 317-231-6465  
Facsimile: 317-231-7433  
Email: nkile@btlaw.com  
jpeabody@btlaw.com

Attorneys for Petitioner  
WATER SERVICE COMPANY OF INDIANA

## **CERTIFICATE OF SERVICE**

The undersigned hereby certifies that two copies of the foregoing Petition were served by hand delivery to the Indiana Office of Utility Consumer Counselor, PNC Bank Building, 115 West Washington Street, Suite 1500 South, Indianapolis, Indiana 46204 this 28th day of October, 2011.

  
\_\_\_\_\_  
Jeffrey M. Peabody